Title: Poverty – What Is It? Techniques and Perspectives on Measuring Economic Need

Author: K. Brad Stamm (Cornerstone University)

Abstract:

Far too often economists and other social scientists use exclusively gross domestic product and per capita GDP to measure a country’s well-being. Economics texts anecdotally refer to other approaches and perspectives but rarely focus on broader, non-income measures that are equally important in determining those peoples and countries in need of assistance.

This paper juxtaposes the work of Steven Cohn’s more heterodox view of economics and Dominick Salvatore’s analytical approach in determining income distribution to outline a more holistic methodology to define economic need.

In addition, the paper integrates both theory and econometrics within a historic framework, providing analytical tools that will enable those involved in development work to more clearly understand and define inequality of income and economic depravity, as well as open the door for providing relief to those deprived of basic necessities.

Motive, method, and mandate are important and necessary when discussing poverty and how to alleviate it. However, without proper measurement and definition of poverty and income inequality, we cannot know where and how much to redistribute, to whom, in what form, and whether our efforts in providing tools and education for individuals and groups are misdirected.

Our Christian worldview of global poverty needs to be informed, more well-defined, and enlightened by both rationale and less neo-classical means of interpreting despair and disparity in income and wealth. By doing so, our faithful efforts to serve those in need will be more productive and enduring.